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**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric
Company to Revise Its Electric Marginal
Costs, Revenue Allocation, and Rate Design.

Application No. 19-11-019
(Filed November 22, 2019)

U 39 M

**MOTION OF PACIFIC GAS AND ELECTRIC COMPANY FOR
ADMINISTRATIVE LAW JUDGE RULING PERMITTING THE
DECLARATION OF ANH DONG ON CURRENT COST ESTIMATES
FOR THE RESIDENTIAL STAGE 1 RTP PILOT CONTAINED IN THE
RTP SETTLEMENT AGREEMENT TO BE ENTERED INTO THE
RECORD**

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Dated: January 14, 2022

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Pursuant to Rule 11.6 of the Commission’s Rules of Practice and Procedure, Pacific Gas & Electric Company (PG&E) moves for an Administrative Law Judge (ALJ) Ruling allowing PG&E to supplement its testimony in this proceeding with the Declaration of Anh Dong on costs for the Residential Stage 1 RTP pilot in the “*Settlement Agreement In PG&E’s 2020 General Rate Case Phase II (Application A.19-11-019) On Real Time Pricing Issues Including Stage 1 Pilots*” (SA). PG&E offers Ms. Dong’s declaration to provide an evidentiary basis for the cost estimates contained in Appendix A, Attachment C, to the SA.

PG&E has provided Ms. Dong’s declaration to the Settling Parties for their review. The Settling Parties do not take a position on the contents of Ms. Dong’s declaration, but do not oppose PG&E’s request to offer Ms. Dong’s declaration to supplement PG&E’s testimony on RTP costs.

Wherefore, PG&E requests an ALJ ruling allowing Ms. Dong’s declaration into the record.

Respectfully Submitted,

GAIL SLOCUM
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By: /s/ Shirley A. Woo
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Dated: January 14, 2022

Application No.: A.19-11-019

Exhibit No.: PG&E-RTP-4

Date: January 14, 2022

PG&E EXHIBIT

DECLARATION OF ANH DONG IN SUPPORT OF PACIFIC GAS AND ELECTRIC COMPANY ON RESIDENTIAL STAGE 1 RTP PILOT COST ESTIMATES

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Costs, Revenue Allocation, and Rate Design.

(U 39 E)

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**DECLARATION OF ANH DONG IN SUPPORT OF
PACIFIC GAS AND ELECTRIC COMPANY (U 39 E)
ON RESIDENTIAL STAGE 1 RTP PILOT COST
ESTIMATES**

I, Anh Dong, declare under penalty of perjury under the laws of the State of California that the following is true and correct to the best of my knowledge and belief:

1. I am a Senior Manager in the Pricing Products Department. My responsibilities include defining and implementing Information Technology (IT) solutions to build rate plans, helping customers better understand and manage their energy use and bills.

2. PG&E and Settling Parties¹ have reached a mutually acceptable outcome on the program design issues as presented in this GRC Phase II proceeding. This Settlement Agreement includes a Stage 1 RTP Pilot for residential customers on the E-ELEC rate (Residential Stage 1 RTP Pilot).

3. I am responsible for developing PG&E's estimates of Measurement and Evaluation and Program Administration costs contained in this declaration for the Residential Stage 1 RTP Pilot. I also participated in the development, during settlement negotiations, of the estimated costs for Marketing, Education and Outreach, and Incentives, set forth below.

4. The Residential Stage 1 RTP Pilot is the product of settlement and was not proposed in PG&E's opening testimony. Therefore, I provide the following information on certain

¹ Agricultural Energy Consumers Association (AECA), California Large Energy Consumers Association (CLECA), California Solar and Storage Association (CALSSA), Enel X North America, Inc. (ENEL X), Energy Producers and Users Coalition (EPUC), Federal Executive Agencies (FEA), PG&E, Public Advocates Office at the CPUC (Cal Advocates), Small Business Utility Advocates (SBUA), and Ohm Connect.

elements of costs for the Residential Stage 1 RTP Pilot that are incremental to the high estimate of the costs associated with PG&E's original RTP Pilot proposal (that did not include a pilot of a residential RTP rate as does the Settlement).²

The following four categories of costs will be recorded to the Dynamic and Real Time Pricing Memorandum Account (D RTPMA) and are estimated as follows:

- | | |
|-----------------------------------|------------------------|
| a. Marketing Education & Outreach | \$350,000 |
| b. Incentives | \$706,250 |
| c. Measurement and Evaluation | \$500,000 |
| d. Program Administration | \$250,000 ³ |

5. The estimated Measurement and Evaluation costs are based on PG&E's experience in other matters requiring measurement and evaluation, taking into account the unique nature of both the C&I and Residential Stage 1 RTP Pilots. The Program Administration cost estimate is PG&E's best estimate based on my experienced professional judgement.

6. The amount of expected Marketing, Education, and Outreach and the level of Incentives the product of settlement negotiations; based on my experience, I have provided cost estimates that reflect those agreements and believe that PG&E can manage and execute these elements of the Residential Stage 1 RTP Pilot within these negotiated costs.

7. I am not able to estimate, at this time, the cost of whatever bill protection payments may need to be paid to Residential Stage 1 RTP Pilot participants pursuant to the Settlement's terms, because the real time pricing component of the piloted E-ELEC RTP rate will be dependent on future volatility in the CAISO hourly day-ahead (DAM) market prices, which PG&E cannot predict, nor can PG&E predict how participating Residential Stage 1 RTP Pilot customers will modify their usage patterns in response to unknowable future hourly RTP prices in the DAM.


² The total cost estimate for the C&I Stage 1 RTP Pilot proposal was \$7.776 million to \$11.096 million (A.10-11-019, Exhibit (PG&E-RTP-1), p. 5-25, Table 5-5). The cost estimate for the Customer Research Study for residential and agricultural customers was \$400,000 to \$700,000 (PG&E-RTP-1, p. 1-45, lines 15 and 16).

³ Cost is for one added contractor or FTE to provide operational support.

8. The additional costs presented here are incremental to the costs estimated in PG&E's initial C&I Stage 1 Pilot proposal (provided in Footnote 2) submitted in its supplemental testimony served on March 29, 2021 (Exhibit PG&E-RTP-1). All costs, including the amount of bill protection payments for bundled residential customers participating in the residential RTP pilot, will be tracked in the D RTPMA for recovery in a future application and testimony, and recovered pursuant to the Settlement Agreement's terms as described in Section V.B.16. These estimates of incremental cost may not be comprehensive in that other costs might later emerge as being necessary and reasonable for operating the Residential Stage 1 RTP Pilot agreed to in the Settlement. The above estimates assume adoption of the Settlement Agreement's Residential Stage 1 RTP Pilot in its entirety without modification.

9. I declare under penalty of perjury under the laws of the State of California that the statements made above are true and correct to the best of my knowledge and belief.

Executed this 14th day of January, 2022 at San Francisco, California



Anh Dong
Senior Manager, Pricing Products